



General Assembly

January Session, 2007

Raised Bill No. 1189

LCO No. 4303

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Referred to Committee on Public Health

Introduced by:
(PH)

***AN ACT REQUIRING PHARMACEUTICAL MANUFACTURING
COMPANIES TO DISCLOSE INCENTIVES PROVIDED TO HEALTH
CARE PROVIDERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2007*) (a) As used in this
2 section:

3 (1) "Commissioner" means the Commissioner of Public Health.

4 (2) "Pharmaceutical marketer" means a person who, while employed
5 by or under contract to represent a pharmaceutical manufacturing
6 company, engages in pharmaceutical detailing, promotional activities
7 or other marketing of prescription drugs in this state to any physician,
8 hospital, nursing home, pharmacist, health benefit plan administrator
9 or a prescribing practitioner, as defined in subdivision (22) of section
10 20-571 of the general statutes, located in this state. "Pharmaceutical
11 marketer" does not include a wholesale drug distributor or the
12 distributor's representative who promotes or otherwise markets the
13 services of the wholesale drug distributor in connection with a
14 prescription drug.

15 (3) "Pharmaceutical manufacturing company" means any entity that
16 engages in the production, preparation, propagation, compounding,
17 conversion or processing of prescription drugs, either directly or
18 indirectly by extraction from substances of natural origin, or
19 independently by means of chemical synthesis, or by a combination of
20 extraction and chemical synthesis, or any entity engaging in the
21 packaging, repackaging, labeling, relabeling or distribution of
22 prescription drugs. "Pharmaceutical manufacturing company" does
23 not include a pharmacist licensed pursuant to part II of chapter 400j of
24 the general statutes.

25 (b) (1) On or before July 1, 2008, and annually thereafter, every
26 pharmaceutical manufacturing company shall disclose to the
27 commissioner the value, nature and purpose of any gift, fee, payment,
28 subsidy or other economic benefit provided by it in connection with
29 detailing, or promotional or other marketing activities by the
30 company, directly or through its pharmaceutical marketers, to any
31 physician, hospital, nursing home, pharmacist, health benefit plan
32 administrator or prescribing practitioner, as defined in subdivision (22)
33 of section 20-571 of the general statutes, located in this state. Disclosure
34 shall be made on a form and in a manner prescribed by the
35 commissioner. Initial disclosure shall be for the twelve-month period
36 ending December 31, 2007. On or before March 1, 2009, and annually
37 thereafter, the commissioner shall report to the General Assembly, in
38 accordance with section 11-4a of the general statutes, on the
39 disclosures made under this section.

40 (2) Every pharmaceutical manufacturing company shall disclose to
41 the commissioner, on or before July 1, 2008, and annually thereafter,
42 the name and address of the individual responsible for the company's
43 compliance with the provisions of this section.

44 (3) All information disclosed to or otherwise obtained by the
45 commissioner pursuant to this section that might reveal a trade secret
46 shall be considered confidential and shall not be disclosed by the

47 commissioner or the Department of Public Health unless ordered by a
48 court of competent jurisdiction.

49 (4) The following are exempt from disclosure under this section:

50 (A) Free samples of prescription drugs intended to be distributed to
51 patients;

52 (B) The payment of reasonable compensation and reimbursement of
53 expenses in connection with a bona fide clinical trial;

54 (C) Any gift, fee, payment, subsidy or other economic benefit the
55 value of which is less than fifteen dollars; and

56 (D) Scholarship or other support for medical students, residents or
57 fellows to attend an educational, scientific or policy-making conference
58 of a national, regional or specialty medical or other professional
59 association, if the recipient of the scholarship or other support is
60 selected by such association.

61 (c) A pharmaceutical manufacturing company that fails to disclose
62 as required by subsection (b) of this section shall be subject to a civil
63 penalty of not more than ten thousand dollars. Each failure to disclose
64 shall constitute a separate violation. If a pharmaceutical manufacturing
65 company fails to pay such civil penalty, the Attorney General, upon
66 request of the commissioner, may bring an action in the superior court
67 for the judicial district of Hartford to obtain enforcement of the civil
68 penalty by the court and such equitable relief as the court deems
69 appropriate.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	New section

Statement of Purpose:

To protect patients and the general public by requiring pharmaceutical manufacturing companies to disclose incentives provided to health care providers.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]